Interpellation.

Popular Assembly during its last five sessions regarding the excessive expenditure under the heading of "Salary" and "Establishment" in comparison with that of the sister States?

(*b*) If they have not taken any action, will the Government now at least be pleased to appoint a Committee consisting of Official and Non-Official Members to consider the present financial aspects of the State and to suggest measures to minimise the increasing expenditure with reference to the actual requirements of the State?

Mr. M. Subrahmanya Pillai.

6. I. (i). Will the Government be pleased to state the principles upon which the price of salt is fixed for issue from the Thamarakulam factories—the place of production—and from the salt depots at Quilon, Alleppey and Munambam? Is there any difference in price for salt of the same denomination in those places? If so, why?

(ii). If the price per maund of home salt for sale by the Government in the factories and salt depots be fixed uniformly with a view to cover the transport charges, on what principle are the licensees of the new factories allowed to have their selling price fixed for their portion of the salt for sale at the factories over and above the duty?

Answer.

various Departments, carried out with a view to improve their efficiency and to meet the rapidly growing cost of living and partly also to the remarkable increase in educational institutions in recent years. It must also be remembered that expenditure is bound to increase if we are to keep pace with the requirements of a progressive administration. Government, however, consider that there is scope for retrenchment in some of the Departments and they intend to go into this question as soon as possible.

The Government do not consider it necessary to appoint the suggested Committee.

Secretary Mr. S. Parameswara Aiyar.

The rates of sale price of home salt are fixed so as to cover the duty, the cost price or *kudivila* and transport, establishment and other contingent charges. The only place where home salt is now sold is Alleppey. The policy of the Government has been to fix a uniform price for salt in the factories and the depots. Accordingly, till Thulam 1094, there was no difference in the price of home salt at the factories and the depots. Thereafter, the price at the Alleppey depot was raised from Re. 1 as.-14 to Rs. 2-as. 7 per maund, in view partly to the increased transport charges of the salt and partly to the comparatively higher price at which Tuticorin salt was sold at Quilon. If the price of the home salt at Alleppey had not been raised and adjusted with reference to the price of foreign salt at Quilon, the cheaper home salt would be in such demand as could not adequately be met. Recently however, the price of home salt at Alleppey was reduced from Rs.-2-as.-7 to Rs. 2 per maund.

(ii), (iii), (iv) and (v).

The licensees of the new factories are allowed to sell their salt at the same price as that fixed by the Government, for the reason that, under the terms of the agreements executed by the licensees of the factories, they are bound not to sell their salt at a rate lower than that fixed for sale by Government. Further, the new licensees are given the benefit of the Government rate as part of their policy to encourage the industry locally.

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Interpellation.	Answer.
(iii). Are the Government aware of the fact that the said licensees, in disposing of their salt at the factory to merchants for the same rate as that of the Government, have included the cost of transport as well? If so, do not the Government consider that the inclusion of the Government charge in the selling price of the licensees an unnecessary profit to them, an additional burden to the consumers, and a loss to the Government?	
(v). If the Government think that under the agreements with the licensees they cannot be prevailed upon to lower the prices, will it not be advisable for the Government to remove the transport charges included in their selling price of salt in the factories—the place of production—where actually they have not to incur any cost on account of transport?	
(v). Are the Government aware of the fact, that the uniformity in fixing the transport charge of six annas at the factories and the distant salt depots, is with a view to have the same rate in all the Government places of issue, irrespective of the distance and the expenditure? If so, do not the Government think that they are the legitimate claimants for that charge of six annas included in the selling price of the licensees? If, on the other hand, the Government think that they have no claim over it, is it not advisable to the Government to disallow the meaningless transport charge of six annas for the benefit of the consumers, and have only the duty and actual cost price of four annas as the selling price at the factories?	
(vi). Will the Government be pleased to take it from me that, by such undue profit, the licensees of the new factories are enabled to attract all the available coolies to their side by enhanced wages, and thus greatly handicap the licensees of the old factories, the pioneer salt manufacturers of the State, who are unable to compete with them on account of their low *kudivila*?	It is true that to some extent the new licensees have the advantage over the old licensees in the matter of securing labour for the factories, but the new licensees have had to sink very large capital in their factories, while the old licensees have had to make comparatively much smaller capital outlay. The new licensees maintain the factories at their own cost, while the old factories are maintained at Government cost. The Government have in recent years done a great deal to help the old licensees. The *kudivila* was raised from Chs. 7½ to Chs. 11¼ per maund in 1092, and just lately the rate was again raised by another half a chackram.
7. II. (i). Are the Government aware,	*Chief Secretary Mr. N. Rajaram Rao.*
(*a*) that till the middle of March 1920, all Travancore cattle were allowed free grazing in all the State Forests;	No; only such cattle as belonged to the subjects of the State were so allowed.

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